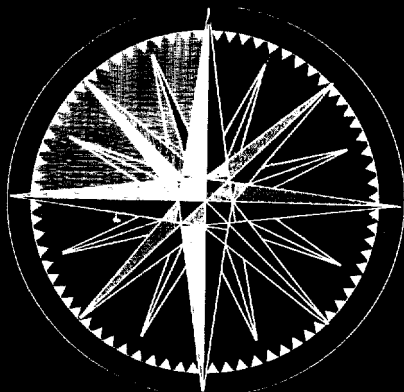


SECRET



Case 2005/01/27 : CIA-RDP79-00927A005000060003-0

17 September 1965

OCI No. 0307/65B

Copy No. 52

SPECIAL REPORT

COMMUNIST CHINA AND THE ARAB WORLD

CENTRAL INTELLIGENCE AGENCY
OFFICE OF CURRENT INTELLIGENCE

25X1

SECRET

25X1

Approved For Release 2005/01/27 : CIA-RDP79-00927A005000060003-0

Approved For Release 2005/01/27 : CIA-RDP79-00927A005000060003-0

SECRET

COMMUNIST CHINA AND THE ARAB WORLD

For some time the Chinese Communists have been conducting a fairly extensive diplomatic, propaganda, and clandestine effort to extend their influence in the Arab countries of the Middle East and Africa. Here the Chinese evidently hope gradually to weaken and eliminate pro-Western and pro-Soviet influences and to encourage the growth of radical nationalist regimes friendly to Communist China. To this end, Peking has sought to improve government-to-government relations and attempted to exploit Arab nationalism in pursuit of Chinese objectives. Thus far, the Chinese have given comparatively little support to pro-Chinese factions in local Communist parties and have concentrated their main effort on fostering contacts with nationalist government leaders. The results to date nowhere threaten the predominant Western and Soviet influences, but Chinese activities have been, and will continue to be, a disturbing and sometimes disruptive factor in these troubled countries.

"People's Diplomacy"

Peking at present maintains diplomatic ties with eight Arab countries--the UAR, Algeria, Tunisia, Morocco, Sudan, Iraq, Syria, and Yemen. Nationalist China maintains ties with Jordan, Kuwait, Lebanon, Libya, and Saudi Arabia, and the USSR maintains relations with all Arab states except Saudi Arabia. US efforts are primarily responsible for what position Nationalist China has been able to maintain in the Arab world.

Despite its success in replacing the Nationalists in many countries, Peking's efforts to date to establish close relations with Arab governments have not been very profitable. It has therefore given increased priority to "people's diplomacy" in

its drive for greater influence. About 60 official Arab delegations arrived in China last year, and those of any importance were showered with attention by top Chinese leaders, including Mao himself. Nearly 20 of these delegations were from Algeria and ten from the UAR.

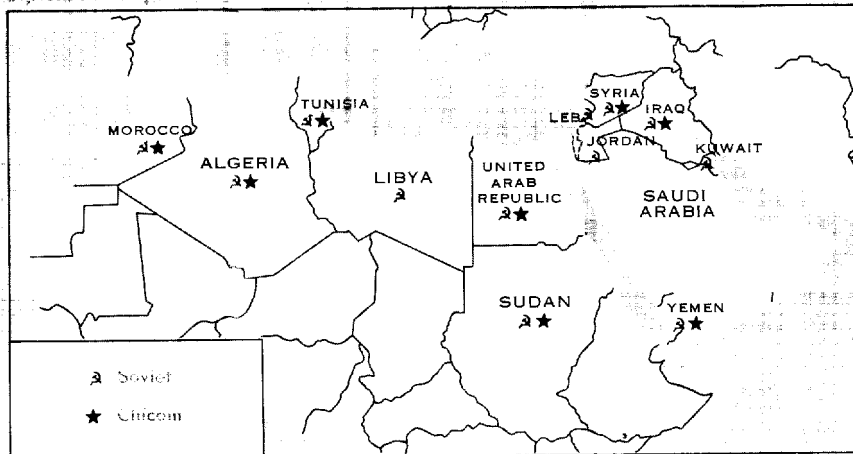
Visitors since the beginning of 1964 include Yemeni President Sallal and the Sudan's General Abboud, who was then still president. Other high-level visitors include the Algerian minister of national economy, a UAR deputy prime minister, the UAR presidential adviser on foreign affairs, the Syrian foreign minister, and the Kuwaiti minister of finance, industry, and commerce.

SECRET

SECRET

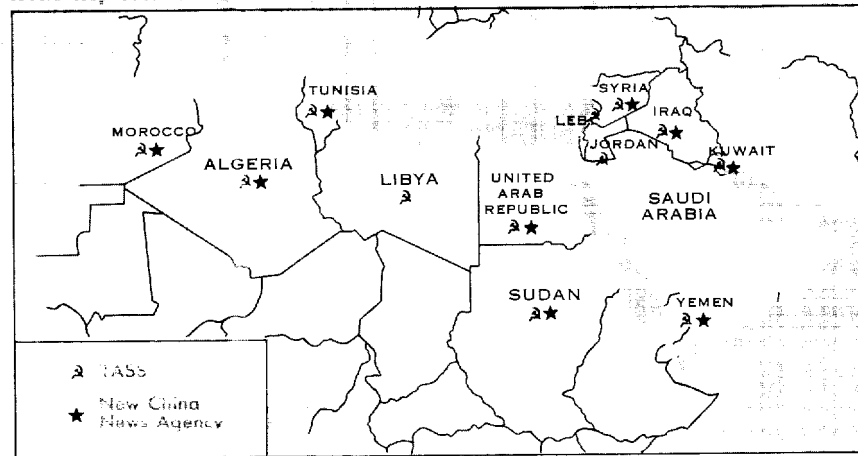
25X1

Diplomatic Representation



**SOVIET AND CHINESE COMMUNIST PRESENCE
IN ARAB COUNTRIES**

News Representatives



48649 9-65 CIA

SECRET

SECRET

The Chinese have long regarded the UAR as the key to greater influence in the Arab world and have had hopes to use President Nasir to increase their strength in the area. They are evidently expecting to profit from the current coolness in Egyptian relations with the United States. Nasir's own ambitions, however, tend to clash with Chinese policy goals. Despite their acceptance of Chinese aid--a credit of \$80 million was extended last December --some high Egyptian officials

know that this aid is far from disinterested.

The UAR's relations with the Soviet Union are likely to remain much closer than those it maintains with the Chinese.

As it does all over the world, a regular flow of Chinese propaganda enters the Arabic countries by radio, pamphlets, and periodicals. The Chinese now broadcast 14 hours in Arabic each week. Slick Chinese propaganda magazines such as China Pictorial and China Reconstructs are printed in Arabic. The Chinese have published many of Mao's works in Arabic. The New China News Agency (NCNA), Peking's principal agency for dissemination of propaganda, maintains offices in nine Arab countries. There is no evidence, however,

that any of this effort has made much of an impact.

The Arab-Israeli Dispute

The Chinese have long backed the Arabs in the Arab-Israeli dispute. Israel recognized Communist China in January 1950, but Peking has never reciprocated. The Chinese invariably characterize Israel as a tool of aggression created by the United States through manipulation of the United Nations. The "just Arab struggle" against "Israeli aggression" is declared to be an important component of the anti-imperialist struggle of the Afro-Asian people.

In pursuance of this line the Chinese often seek to inject themselves into purely regional problems. Earlier this year they plunged into the German-Arab-Israeli fracas involving Bonn's arms deliveries to Israel and the establishment of West German - Israeli diplomatic relations. Asserting that the "No. 1 enemy, US imperialism" was behind these developments, Peking insisted that the collusion between the US and "West German militarism" in supplying arms to Israel "gravely threatens the security of the Arab states."

The Chinese have given a warm response to overtures from the Palestine Liberation Organization (PLO), the group recognized by Arab chiefs of state as the representative of the Palestinian Arabs. The Chinese have allowed the PLO to establish an office

SECRET

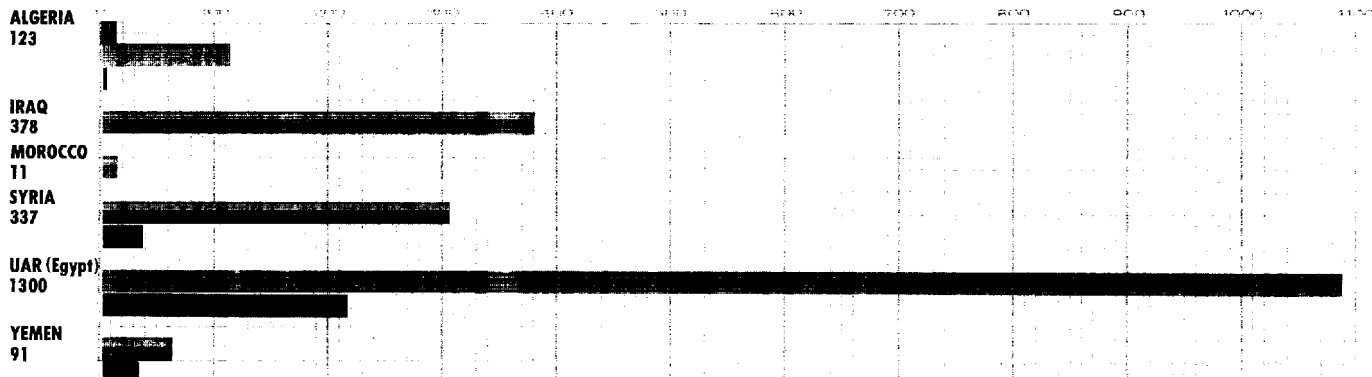
SECRET

25X1

COMMUNIST AID TO ARAB COUNTRIES

Military Assistance

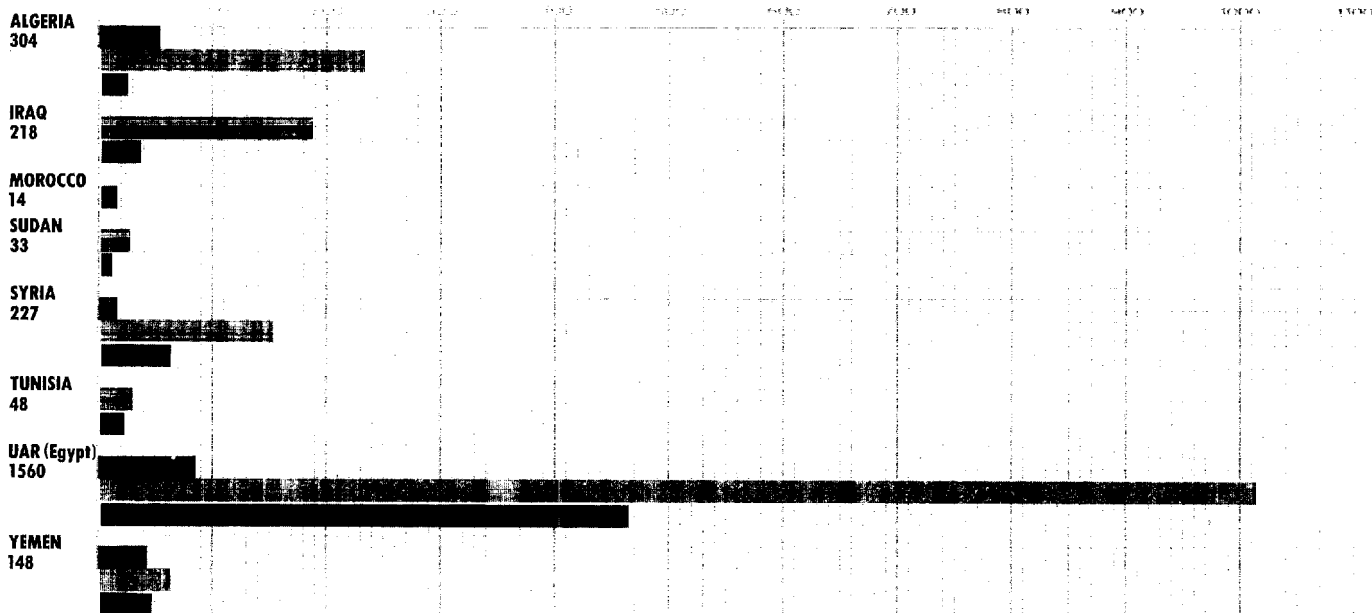
January 1955 - June 1965



* The UAR concluded a new arms agreement with the USSR in late 1964 which is believed to be large.

Economic Credits and Grants Extended

January 1954 - June 1965



Communist China
USSR
Eastern Europe

48785 9-85 CIA

SECRET

SECRET

in Peking and reportedly have agreed to grant it \$1 million in financial aid and to supply small arms and equipment for 10,000 of the military force it now is trying to form in the Arab states. A delegation headed by the PLO president visited Peking in March, and has claimed that the Chinese "satisfied all our requests." However, the Arabs, especially the Jordanians and probably even Nasir, are aware of the substantial danger of Chinese cooperation with the PLO.

Peking was quick to associate itself with what it called the Arab people's "storm of protest" against Tunisian President Bourguiba's April proposals for settlement of the Arab-Israeli conflict. The Chinese have no qualms about attacking Bourguiba, who has been outspoken in his criticism of Peking's foreign policy goals. Bourguiba has claimed that the Chinese "desire to rule over Africa and Asia" and that the fundamental cause of Vietnam's problems is Communist China's "drive for hegemony." Peking in May claimed that Bourguiba had "grossly distorted the situation in Southeast Asia" and "vilely slandered the Chinese people."

High-Level Chinese Visits

Peking's efforts to improve its position in the area have been highlighted by swings through North Africa and the Middle East by Premier Chou En-lai and by Foreign Minister Chen Yi. The two made stops in late 1963

and in early 1964 in the UAR, Algeria, Morocco, Tunisia, and the Sudan. Chen Yi visited the UAR and Algeria in November 1964 and Algeria again in September 1965. Chou made short stops in the UAR and Algeria in late March and early April 1965. Chou also made brief stops in the UAR, Syria, Sudan, and Iraq before and after his visit to Tanzania in early June. Chou was again in the UAR from 19 to 30 June, vainly waiting for the Algiers Afro-Asian Conference to get under way. There are indications that Chou is planning another series of stops in Arab countries this fall before and after the rescheduled Algiers conference--now set for November in Algiers.

It is difficult to assess the effect of these visits on China's position in the area. One of the major purposes of these and other Chinese efforts has been to counter Soviet influence by posing as a stronger and more faithful friend of national liberation struggles, and by offering limited amounts of additional economic aid. The results to date have not been impressive.

The visits have, however, had the effect of helping China break out of its isolation and assume a more active role in world affairs. On his first trip, Chou took a generally cautious line calculated to win over moderate opinion, made a favorable impression almost everywhere he went.

25X1

SECRET

SECRET

Approved For Release 2005/01/27 : CIA-RDP79-00927A005000060003-0

Trade Between Arab and Communist Countries

	(Millions of US dollars)					
	Communist China		USSR		Eastern Europe	
	1955	1964	1955	1964	1955	1964
ALGERIA	0	NA	2.4	5.8*	4.3	NA
IRAQ	0.1	17.4	**	28.4	5.2	24.9
JORDAN	**	2.2	**	2.0	2.3	12.7
KUWAIT	NA	5.9*	NA	**	NA	3.7*
LEBANON	0.2	2.8	1.8	5.2*	6.2	29.2*
LIBYA	0	1.5	0	4.7	0.3	8.9
MOROCCO	19.0	25.9	1.8	16.0	11.4	41.8
SAUDI ARABIA	0	NA	0	NA	0	NA
SUDAN	0.9	12.6	0.1	8.8	7.1	28.5
SYRIA	0.4	31.5	0.2	20.7	6.6	51.3
TUNISIA	0	0.5	0.1	4.7	2.0	20.7
UAR (Egypt)	25.4	33.5	26.8	169.7	89.6	195.0
YEMEN	NA	NA	0	4.9*	NA	NA
Total	46.0	133.8	33.2	270.9	135.0	416.7

* 1963; latest figures available.

** Less than \$50,000.

NA (Not available)

SECRET

SECRET

25X1

25X1



Chou repeatedly endeavored to counter Soviet propaganda depicting China's leaders as irresponsible militants and to present China as a responsible power with world-wide influence. On later trips, Chou has taken more vehement and intransigent stands toward the US and the USSR which have apparently tarnished this image.

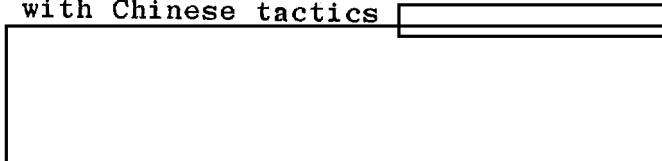
An immediate purpose of these and other trips by high Chinese officials has been to drum up support for Chinese positions at the Second Afro-Asian Conference. The Chinese Communists expect to use the conference as a forum for furthering their claims to leadership of the "emerging forces" of the world and to weaken Western, particularly US, influence in Asia and Africa. Although the Chinese have gone out of their way to cultivate the UAR and Algeria, with the upcoming conference in mind, there are indications that Chinese pressures have produced some adverse reaction among Egyptian and Algerian leaders. Chinese intransigence regarding the USSR and the US appears to have been a primary cause of friction. Moreover, Nasir has repeatedly backed Soviet participation in the Afro-Asian summit, and Cairo is apparently well satisfied with its current relations with the USSR, particularly since Soviet military and economic assistance has

been considerably greater than that given by China.

State-to-State Relations

Chinese influence in the new Algerian Government is not believed to be great. Peking quickly--perhaps too quickly--recognized the Boumedienne regime which seized power last June just as delegates were assembling in Algiers for the Afro-Asian conference. Peking's action is generally accepted as having been motivated by a desire to have the conference held on schedule. The Chinese were assiduous in cultivating Ben Bella before his overthrow, but even members of this government reportedly were "disenchanted" with Chinese tactics

25X1



The Chinese supplied around \$12 million, beginning in 1959, to support Algerian nationalist military activity. Chinese assistance has continued since Algerian independence in 1962 and has included a \$50-million, interest-free loan made under a 1963 agreement on economic and technical cooperation. The Chinese gave Algeria a 13,000-ton freighter in February 1965--a gift which left their own merchant fleet with only 12 ships actively engaged in international trade. Peking agreed in February to supply equipment for Algeria's militia forces. The Chinese may also have agreed to send instructors to help train the militia.

25X1

SECRET

SECRET

The Chinese have also made a concerted effort in Yemen. Chinese credits and grants now total over \$42 million and the number of Chinese technicians and skilled laborers in Yemen now may total 400. Most Chinese assistance to date has gone into road building: the Hudaydah-Sana road was completed in 1961 and the Sana-Sadah road project is now under way. The Chinese are also building a textile mill at Sana.

The Chinese appear to have had little impact in the Sudan. Sudanese relations with the Chinese during the Abboud regime were correct but cool. The less conservative orientation of the present government may give the Chinese more room to maneuver. Thus far there has been no Chinese aid to Sudan, but Khartoum is reportedly considering a long-term Chinese loan, and trade with China has greatly increased. Communist China is now the third largest buyer of Sudanese cotton --which accounts for over half of all of Sudan's exports--and there are indications that China may become the number one purchaser.

Although Peking has had diplomatic relations with Morocco since 1958, the Chinese presence there remains limited, and Peking has extended no economic assistance.

The present coolness in relations between Cairo and Damascus has not prevented the Chinese from maintaining good relations with the Syrian Government. The warm reception given Chou En-lai

during his two brief stops in Syria in June reportedly disturbed the Soviets, who have made a large investment there. The Syrians are apparently using the Chinese as a lever to obtain continuing aid from Moscow, but as long as Peking remains patently unable to replace the Soviet Union as a supplier of material aid, there is little chance that the Chinese will be able to elbow the Soviets aside. Peking has given heavy propaganda support to Syria's role in the Arab-Israeli dispute, and Chou En-lai has referred to Syria's "heavy burden" in the conflict and to China's desiring victory for Syria's battle against Israel."

Peking also runs a poor second to the USSR in Iraq, where the Soviets have provided \$600 million worth of economic and military assistance. China has given no aid to Iraq, and Chinese Embassy personnel in Baghdad reportedly remain somewhat isolated. All indications are that Peking is taking a long-range view of Iraq as a potential political friend and source of oil and foodstuffs.

The Chinese have moved to initiate ties with Kuwait this year. A visit by the Kuwaiti foreign minister to Peking was followed in June by the visit of a Chinese "friendship and economic" delegation to Kuwait. The delegation secured accreditation of a resident NCNA correspondent and discussed expansion of economic and trade relations. It is probable the visit moved Kuwait closer to establishment of diplomatic relations with Peking.

SECRET

SECRET

Lebanon has not established diplomatic relations with Communist China and there is little prospect it will in the near future, but some members of the Lebanese Parliament are actively promoting the establishment of a Chinese Communist trade mission in Beirut as a first step toward eventual diplomatic recognition. Through emissaries from the Chinese Embassy in Damascus, prominent Lebanese have been invited to visit Communist China and some have accepted. A delegation of Lebanese deputies, led by Socialist Druze leader Kamal Jumblatt, visited Communist China last December and January. Jumblatt advocates conclusion of a trade agreement with and recognition of Communist China.

Arab Communist Parties

Over-all Communist Party activity in the Arab world remains limited and is sternly repressed in Saudi Arabia, Yemen, Kuwait, and the sultanates. Communist activity is officially banned in Lebanon, Syria, Algeria, Morocco, Tunisia, and Jordan, but some party activity continues despite varying degrees of harassment and surveillance. The Syrian party, for example, operates underground and is directed by a leadership in exile. The Algerian party also operates clandestinely. The Tunisian Communist Party has been inactive and its members are under close government surveillance. The Communist Party of Egypt formally dissolved itself this year. Only in Sudan does the Communist Party operate openly.

Despite these disabilities, however, Chinese influence is at work in direct and indirect ways. The long-standing factionalism of Communist parties in the area has increased as the Sino-Soviet split has deepened and as the Chinese have begun to work actively within the parties. A separate pro-Chinese party has been formed by a small group of Lebanese Communist Party dissidents. Evidence is appearing that the Syrian, Sudanese, and Iraqi Communist movements are having internal difficulties, due to Chinese efforts and to internal opposition to Moscow's policy of support for such one-party systems as that maintained by Nasir in the UAR. Further splits within local parties are probable as Peking offers an alternative pole of attraction for radicals and other malcontents.

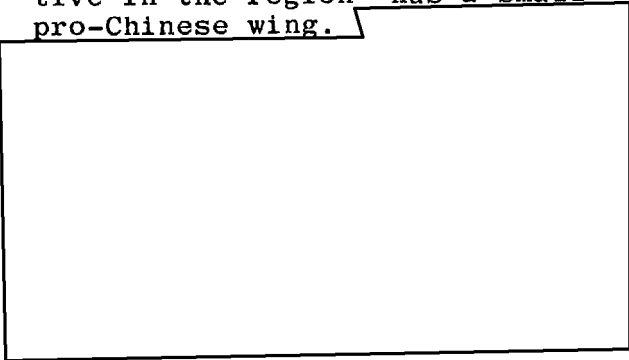
The Arab Communists, largely under pro-Soviet leadership, have in recent months become concerned about the increased pressures brought on them because of the Sino-Soviet dispute and the tendency of both the USSR and Communist China to play up to Arab leaders. This pro-Soviet leadership has also been concerned about Soviet neglect of Arab Communists and the persecution of Communist groups by Arab governments. They have been particularly critical of Moscow's and Peking's preoccupation with the ideological struggle and the resulting detrimental effect it has had on the local Communist parties in their efforts to increase their strength.

SECRET

SECRET

In the individual Arab countries, there is only one pro-Chinese Communist party, the Socialist Revolutionary Party of Lebanon, but there are pro-Chinese factions in several other parties. The pro-Chinese faction in Syria is growing as a result of Peking's total support to the Arabs on the Israeli question and also apparently because of a decision by Peking to make Damascus a center for Communist party activities in the Arab countries in Asia.

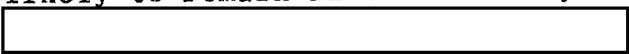
25X1 The Sudan Communist Party (SCP)--possibly the most effective in the region--has a small pro-Chinese wing.



A vocal minority of the Iraqi Communist Party favors Communist China. There is some pro-Chinese activity in the Communist Party of Jordan, but no factional split has as yet developed.

Outlook

Immediate prospects for Communist China in the Arab world are not bright. Peking may be able to further reduce Chinese Nationalist influence in the area, but it does not have the resources to compete effectively with the United States, the Soviet Union, and the United Arab Republic. Policy orientation in Arab countries depends more on financial consideration and Arab nationalism than any world ideology, and Peking's ability to extend military and economic assistance is limited. There is no evidence that Peking plans to increase the priority it has assigned the Middle East, still behind Asia and Africa, and Chinese factions in Arab Communist parties are likely to remain in the minority.



25X1

* * *

SECRET

Approved For Release 2005/01/27 : CIA-RDP79-00927A005000060003-0

SECRET

SECRET

Approved For Release 2005/01/27 : CIA-RDP79-00927A005000060003-0